UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 8



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Ref: 8P-W-WW

Mr. Jay K. Vance Manager, Environmental & Permitting Red Leaf Resources, Inc. 10808 South River Front Parkway, Suite 200 South Jordan, UT 84095-5956

> Re: EPA Water Discharge Permit Exemption Applicable to Red Leaf Resources, Inc. Seep Ridge Project

Dear Mr. Vance:

Thank you for notification to EPA on November 8, 2013, regarding the site construction, testing, and scale-up of the EcoShale In-Capsule Technology test unit. We have received your justification that based on a review of applicable regulations, these oil shale extraction activities are exempt from NPDES permitting requirements based on 40 CFR § 122.26 and Section 323 of the Energy Policy Act of 2005.

The existing stormwater rules, including revisions from the Energy Policy Act of 2005, do not explicitly address whether facilities that extract oil from tar sands and shale oil are exempt from NPDES permits. However, these types of activities are included in SIC Code 1311 for oil and gas extraction, and these activities are not addressed under SIC codes for mining activities. An NPDES permit will be required if the stormwater discharges have reportable quantities of hazardous substances or oil, or if there is reasonable potential for a water quality standard to be exceeded. EPA may use its best professional judgment to determine if stormwater from these types of activities will become contaminated by contact with raw material, intermediate products, finished product, by-product, or waste products.

If you have any questions with regard to this letter, please contact Greg Davis at 303-312-6314, or email davis.gregory@epa.gov.

Sincerely,

Colleen R. L. Rathbone, Chief

Wastewater Unit